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**THE UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF CALIFORNIA - BAKERSFIELD DIVISION**

FULL SPECTRUM IH, LLC, a Florida
limited liability company;

Plaintiff,

vs.

DCM, INC., a Nevada corporation;
LIBERTY NOVELTY, INC., a Maryland
corporation; ALIRAZA JIVAN, an
individual; ALFIA JIVAN, an individual;
and DOES 1 through 10, inclusive,

Defendants.

Case No.: 1:20-cv-00673-DAD-JLT

**DECLARATION OF MICHAEL
LAGNESE IN SUPPORT OF
PLAINTIFF'S OPPOSITION TO
DEFENDANTS' MOTION TO SET
ASIDE ENTRY OF DEFAULT**

[Filed concurrently with the Opposition to Defendants' Motion to Set Aside Entry of Default, Declaration of Benson K. Lau, Esq., Request for Judicial Notice, Evidentiary Objections to Declaration of Reza I. Gharakhani, Esq., Evidentiary Objections to Declaration of Aliraza Jivan, Evidentiary Objections to Declaration of Alfia Jivan, Evidentiary Objections to Declaration of Alejandra Duran, and Evidentiary Objections to Declaration of Minor "AJ"]

Hearing: September 10, 2020; 9:30 a.m.
Judge: Hon. Jennifer L. Thurston
Location: United States Courthouse, 510
19th Street, Suite 200,
Bakersfield, CA 93301

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I, Michael Lagnese, hereby declare pursuant to 28 U.S.C. § 1746 as follows:

1. I am the Chief Executive Officer of Plaintiff FULL SPECTRUM IH, LLC (“Full Spectrum”). I am over the age of eighteen (18) years, and declare and affirm that the foregoing is true and correct. I have personal knowledge of all statements made herein based upon my duties and based upon my review of the books and records maintained by Company in the ordinary course of business that relate to this matter.

2. In October 2019, I entered into negotiations with Aliraza Jivan for the purchase and sale of industrial hemp from my company, Full Spectrum, to his company, DCM.

3. Mr. Jivan informed me that if Full Spectrum could manufacture¹ and supply 3,500 lbs. of industrial hemp of a particular strain and quality specified by DCM (the “Product”) over a two-month period, DCM would purchase the Product over a two-month period for a total sum of \$560,000.00 (the “Purchase Price”) payable in seven (7) weekly installments of \$80,000.00 beginning on November 8, 2019 and concluding on December 20, 2019.

4. Mr. Jivan acknowledged that he understood the Product was perishable because of its organic nature and that timely sale and delivery of the Product was of the utmost importance. Mr. Jivan assured me that DCM would have no problem fulfilling its weekly purchase obligations and that DCM had the financial wherewithal to perform.

5. In light of Mr. Jivan’s representations and promises, I executed the Industrial Hemp Purchase Agreement on behalf of Full Spectrum with DCM on November 7, 2019 (the “Contract”).

6. After DCM failed to fulfill its obligations under the Contract by failing to purchase the full second installment of Product on November 15, 2019, Mr. Jivan began to make excuses for DCM’s failure to perform and kept assuring me that

¹ The hemp requested by Mr. Jivan was in “buck flower” form which meant that Full Spectrum needed have it processed and trimmed for DCM before delivery.

1 payment for the next installment would be forthcoming. It never did.

2 7. This dragged on into the following year as I kept believing Mr. Jivan's
3 repeated promises and assurances that payment was forthcoming.

4 8. My company incurred significant costs in preparing Product for delivery
5 to DCM. Instead, the remaining Product sat in storage where it began to decay and lose
6 commercial value.

7 9. On March 31, 2020, it became clear to me that Mr. Jivan was simply
8 stringing me along and had no intention of performing under the Contract when he
9 attempted to blame COVID-19 as the reason for DCM's failure to perform.
10 Unfortunately, by this time, the Product could not easily be resold to any other buyers
11 in its condition. I could not sell any of it. Currently, the remaining Product that DCM
12 failed to purchase is still in storage and in unsalable condition. Attached hereto as
13 Exhibit "A" are true and correct copies of my text message exchanges with Mr. Jivan
14 regarding the Contract from January 7, 2020 to April 2, 2020.

15 I declare under penalty of perjury that the foregoing is true and correct.

16 Executed on August 27, 2020 at Los Angeles, California.

17 /s/ Michael Lagnese (original signature
retained by attorney Benson Lau)

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19 Michael Lagnese, Chief Executive
20 Officer of Full Spectrum IH, LLC
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